O.R.L.

office of the registrar of lobbyists

BRITISH COLUMBIA

ANNUAL REPORT 2014-15

WHO WE ARE

The Office of the Registrar of Lobbyists ("ORL") is an independent Office of the Legislature that oversees, monitors and enforces the *Lobbyists Registration Act* ("LRA"). The LRA requires individuals and organizations who meet specific criteria to register their lobbying activities in an online public registry.

The goal of the LRA is to promote transparency in lobbying and government decision-making.

Elizabeth Denham is B.C.'s Registrar of Lobbyists.

Mandate

Under the LRA, the mandate of the ORL is to:

- Promote awareness among lobbyists of registration requirements;
- Promote awareness among the public of the existence of the Lobbyists Registry;
- Manage registrations submitted to the Lobbyists Registry; and
- Monitor and enforce compliance with the LRA.

Strategic Goals

Goal 1 Enhance the enforcement function under the LRA.

Goal 2 Promote enhancements to the LRA.

Goal 3 Provide education for lobbyists, public office holders and the public.

How We Do Our Work

The ORL addresses concerns about the integrity of government decision-making by providing a public record of who is attempting to influence government decisions. The ORL manages compliance through a number of strategies, including education and outreach to lobbyists and public office holders, verification of registration information, compliance reviews, investigations, public reporting and administrative penalties for non-compliance.

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June 2015

The Honourable Linda Reid
Speaker of the Legislative Assembly
of British Columbia
Room 207, Parliament Buildings
Victoria, BC V8V 1X4

Honourable Speaker:

In accordance with s. 9.1(1) of the *Lobbyists Registration Act*, I have the honour to present the Office of the Registrar of Lobbyists Annual Report to the Legislative Assembly.

This report covers the period from April 1, 2014 to March 31, 2015.

Yours sincerely,

Elizabeth Denham
Registrar of Lobbyists for British Columbia

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REGISTRAR'S MESSAGE

We began the 2014-15 fiscal year with clear and measurable goals. I signalled my intention to step up enforcement activity to ensure lobbyists properly register their activities as required by the *Lobbyists Registration Act* ("LRA") and to offer public education and outreach to promote awareness and compliance with the LRA. These two measures support the purpose of the Lobbyists Registry, which is to provide an open, accurate and complete public record of who's influencing whom in government decision-making.

The Office of the Registrar of Lobbyists ("ORL") has made good on that promise. This year, we completed 153 compliance reviews, conducted 18 formal investigations, published six investigation reports with a finding of non-compliance with the LRA and applied six administrative penalties.

Although each review or investigation deals with a specific case, we tend to see the same mistakes over and over again. These errors include a misunderstanding of what activities constitute lobbying, the timelines for registration due to a failure to identify the correct date of an agreement to lobby on behalf of a client, and inattention to updating and correcting disclosures as required by law.

To address these persistent compliance issues we placed a heightened focus on practical guidance to registered lobbyists in 2014-15. We provided plain language information about these common errors and pitfalls, such as when lobbyists must register and basic information about the 100-hour criteria for organizations who lobby. We also introduced a feature in our *Influencing B.C.* e-magazine called "Lessons Learned" that provides a case summary of recent investigation reports of this Office. These summaries offer an opportunity for lobbyists to learn from their peers to ensure they are working in compliance with the requirements of the LRA.

The LRA states that the person holding the position of Information and Privacy Commissioner is designated as the Registrar of Lobbyists. In the 2013-14 fiscal year, I reorganized the ORL to reallocate resources and increase efficiencies across the two offices. One year later, the reorganization has increased our investigative capacity, streamlined appeals and provided more opportunities for public education functions. Although we remain a small Office, we are now completing investigations in a more timely manner. We also put the finishing touches on our public education plan, which we plan to implement in 2015-16. Some of our strategies include providing clear and practical guidance for registered and active lobbyists, to explain how B.C.'s lobbying legislation works, as well as further tips on how to stay compliant. In addition, we also plan to reach out to public office holders and their staff to provide additional education and to hold a conference for lobbyists in 2016.

Although we remain a small Office, we are now completing investigations in a more timely manner. We also put the finishing touches on our public education plan, which we plan to implement in 2015-16.

As lobbyists become more familiar with the LRA and their obligations under the legislation, I am confident there will be a reduction in the errors we have seen over the past few years. I look forward to reporting greater compliance and increased transparency in lobbying in 2015-16.

In closing, I would like to thank my staff for their dedicated public service throughout this past year.

Elizabeth Denham
Registrar of Lobbyists for British Columbia

HIGHLIGHTS 2014-15

PHOTO *Independent lobbyist regulators and their guests gather for a reception and dinner at Government House in Victoria, hosted by the Honourable Judith Guichon, OBC, the Lieutenant Governor of British Columbia.*

Lobbyist Regulators Gather in Victoria

The Office of the Registrar of Lobbyists for British Columbia hosted the *8th Annual Lobbyists Registrars and Commissioners Network Conference* in Victoria from September 7-9, 2014. The event, which was held in the Douglas Fir Room of the British Columbia Parliament Buildings, brought together 16 independent lobbyist regulators representing Canada, the provinces of British Columbia, Alberta, Manitoba, Ontario, Québec, and Newfoundland and Labrador as well as the City of Toronto. The conference offered presentations, information sharing opportunities and new roundtable discussion sessions. These sessions were extremely well received by the attendees and will be implemented at future meetings.

Dr. Patrick Smith, Professor and Director of Simon Fraser University Institute of Governance Studies, offered a presentation about the need for municipal lobbyist registries. He also facilitated a panel discussion, "The Contribution of Lobbying Regulation to Public Confidence," featuring Philip Halkett, former BC public office holder; Serge Corbeil, President of the Public Affairs Bureau of Canada - B.C. Chapter (PAAC-B.C.); and Vaughn Palmer, provincial affairs political columnist, *The Vancouver Sun*.

Attendees were invited to a reception at the Legislative Library on the first evening of the conference. There, they were welcomed by Douglas Horne, Deputy Speaker and Member of the Legislative Assembly for Coquitlam-Burke Mountain, who shared his knowledge of the history of the Parliament Buildings. On the second evening, they were welcomed to Government House by the Honourable Judith Guichon, OBC, the Lieutenant Governor of British Columbia, for a reception and dinner. The group toured Butchart Gardens near Victoria on their final night.

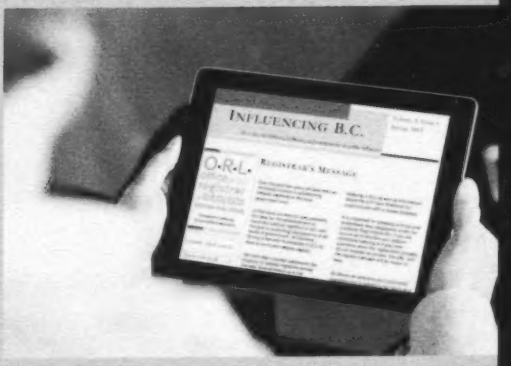
The ORL thanks delegates, volunteers, speakers and all those who made the conference such a success. Special thanks to the planning committee for hosting a productive and meaningful event.

System Enhancements Improve Lobbyists Registry Functions

The B.C. Lobbyists Registry was recently migrated to a new platform and a new, updated server. The shift has resulted in faster data retrieval times for public searches and more responsive registration entry screens. The simple search function has also been improved and now retrieves results in seconds.

ORL Hosts Awareness Session for Political Staff

The Deputy Registrar/Assistant Commissioner and the Registry Manager offered a session to political staff on August 11, 2014, to promote awareness about the *Lobbyists Registration Act*. The event provided information about what is considered lobbying, registration requirements and statistics around registrations and investigations for the fiscal year. The Registry Manager also demonstrated the Registry's public search function.



Lessons Learned Column Launched

To help encourage compliance with the *Lobbyists Registration Act*, the ORL introduced a new feature in its *Influencing B.C.* e-magazine called "Lessons Learned." The column, which includes summaries of all new public investigation reports and reconsideration decisions that have been tabled in the B.C. Legislature, is garnering attention in the lobbyist community. The full version of all reports can be found on the ORL website (www.lobbyistsregistrar.bc.ca).

YEAR IN NUMBERS

FIGURE 1: Compliance Statistics

COMPLIANCE REVIEWS	
Outstanding from 2013-14 fiscal year	8
New for 2014-15 fiscal year	152
Total Reviews:	160
Resolved informally	140
Led to formal investigations	13
Ongoing at end of 2014-15 fiscal year	7

INVESTIGATIONS	
Outstanding from 2013-14 fiscal year	10
New for 2014-15 fiscal year	13
Total Investigations:	23
Resolved informally	3
Other resolutions	6
Found to be compliant	3
Administrative penalty applied	6
Ongoing at end of 2014-15 fiscal year	5

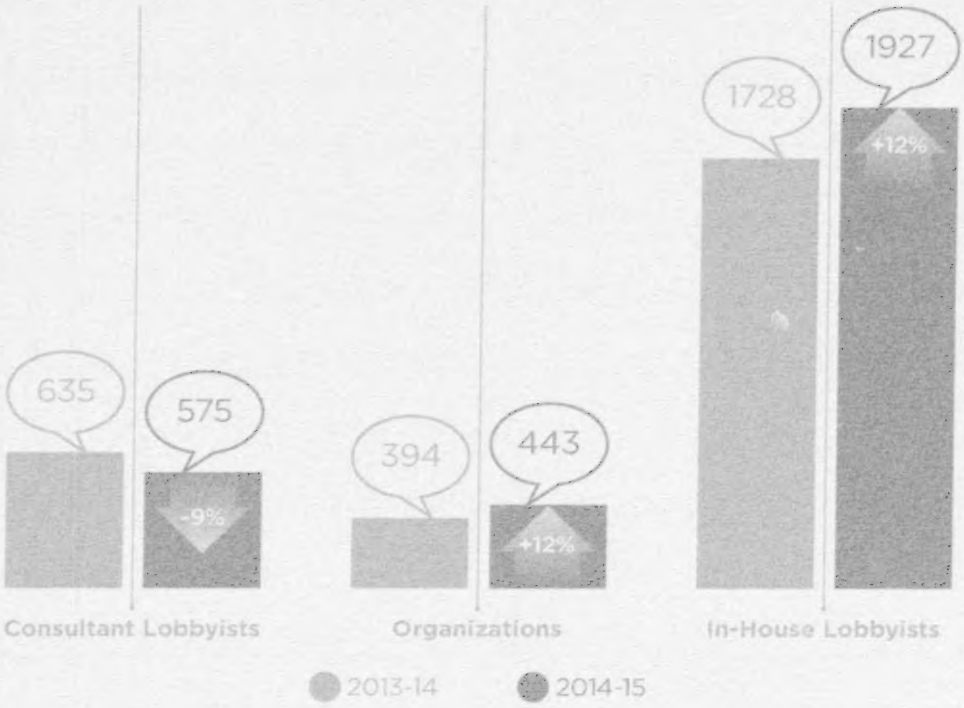
Compliance Statistics

ORL staff initiated 152 compliance reviews this year, in addition to eight carried over from the previous fiscal year. Of these 160 reviews, 140 were resolved through informal means, such as public education, to inform those unfamiliar with the LRA of their obligations, and warnings for minor first-time non-compliance. Informal means of achieving compliance are significantly more cost-effective, and the ORL resolves possible non-compliance in this manner whenever it is appropriate.

Compliance reviews led to 13 new formal investigations in addition to 10 that were outstanding from the previous fiscal year. Of these investigations 18 were completed. Three were resolved informally; six were inconclusive; three were compliant with the law; and six resulted in a finding of non-compliance and the application of an administrative monetary penalty. There were seven compliance reviews and five investigations outstanding at the end of fiscal year 2014-15.

In addition to conducting compliance reviews, ORL staff also review and verify registrations when they are submitted to the online Lobbyists Registry. Between April 1, 2014 and March 31, 2015, ORL staff requested that 185 registrants correct their returns. The 22% decrease in corrections over the previous year was largely due to a change in the online re-registration template.

FIGURE 2: Active Registrations, 2014-15



Active Registrations

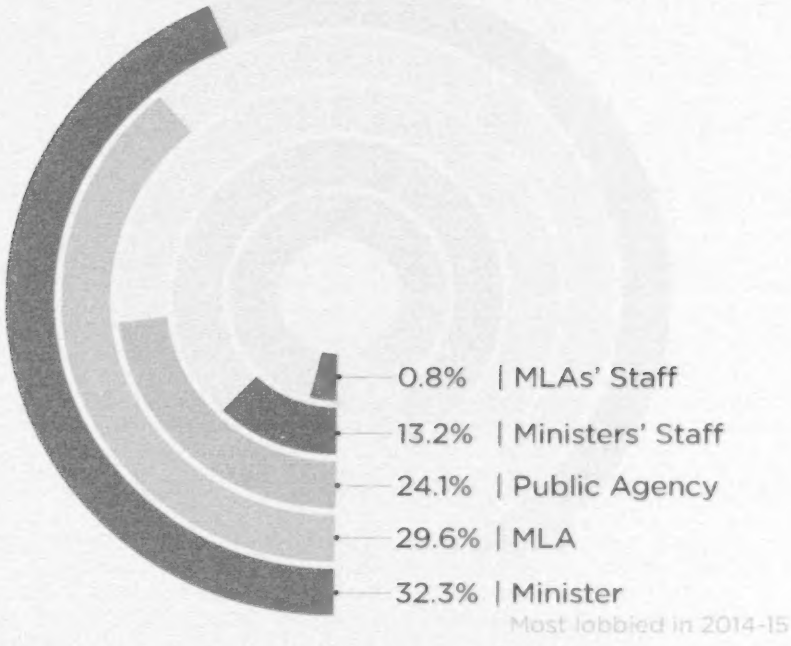
The LRA recognizes two types of lobbyists: **consultant lobbyists** (individuals who, for payment, undertake to lobby on behalf of a client) and **in-house lobbyists** (employees of organizations who lobby on behalf of their organization).

"Active registrations" means all lobbying registrations that were active at some point during the 2014-2015 fiscal year. This includes registrations that began before the year started and continued into or through the year, as well as those that began during the year.

In 2014-15, there were increases in the number of organizations that registered (12%) and the number of in-house lobbyists reported by organizations (12%), and a decrease in the number of registrations by consultant lobbyists (-9%).

YEAR IN NUMBERS

FIGURE 3: Lobbying Targets, 2014-15



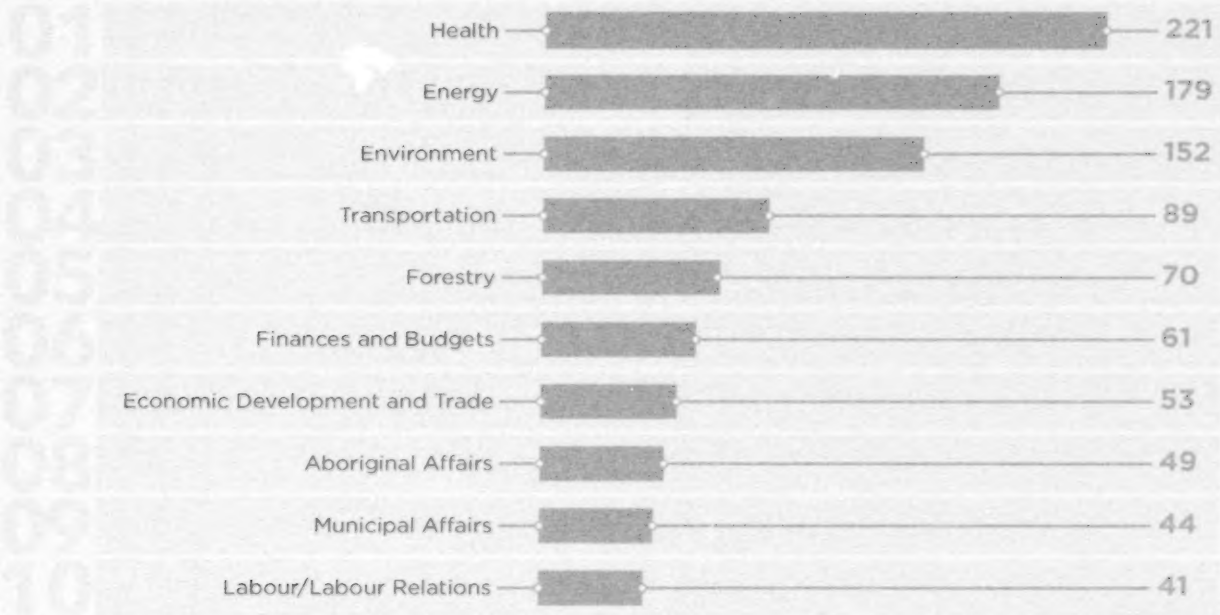
Lobbying Targets

When registrants file a return, they must identify target(s) for their lobbying from a list of options, which include the following:

- Members of the Legislative Assembly;
- Ministers;
- Public Agencies (ministries, crown corporations, commissions, health authorities, post-secondary institutions, administrative tribunals, and various other public bodies);
- Ministers' Staff (individuals who work in the office of a Cabinet Minister); and
- MLAs' Staff (individuals who work in a MLA's constituency office).

Members of the Legislative Assembly and Ministers together represent over 60% of all lobbying targets. In 2014-15, Ministers were lobbied most frequently, a slight change from 2013-14, when MLAs were the most frequent lobbying targets. Another change this year was the increase in lobbying of Ministers' staff, from 8.9% of all lobbying targets in 2013-14 to 13.2% in 2014-15. Public Agencies comprise almost one-quarter of the total. Since registrants are required under the LRA to provide details about who the lobbyist "has lobbied or expects to lobby," the figures may represent both actual lobbying that has occurred, as well as targets they expect to lobby.

FIGURE 4: Top 10 Subject Matters, 2014-15



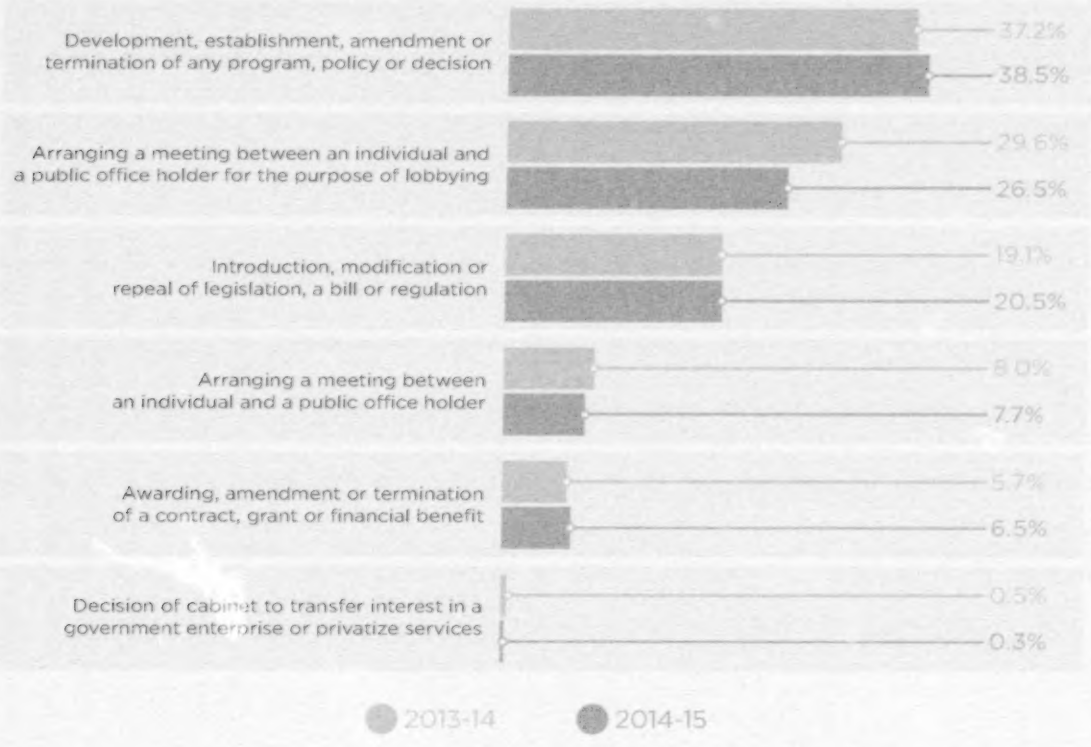
Subject Matters

Registrants must also choose lobbying subject matters from a list of common issues, such as education, economic development, transportation and others.

The top five subject matters for lobbying remain the same for the fourth year in a row. "Finances and Budgets," "Economic Development and Trade" and "Aboriginal Affairs" have also appeared in the top 10 in the past three years. "Mining" fell out of the top 10 this year, while "Municipal Affairs" was new for 2014-15.

YEAR IN NUMBERS

FIGURE 5: Intended Outcomes of Lobbying


Development, establishment, amendment or termination of any program, policy or decision
37.2%
38.5%
Arranging a meeting between an individual and a public office holder for the purpose of lobbying
29.6%
26.5%
Introduction, modification or repeal of legislation, a bill or regulation
19.1%
20.5%
Arranging a meeting between an individual and a public office holder
8.0%
7.7%
Awarding, amendment or termination of a contract, grant or financial benefit
5.7%
6.5%
Decision of cabinet to transfer interest in a government enterprise or privatize services
0.5%
0.3%
2013-14
2014-15

Intended Outcomes

"Intended Outcomes" are the results that lobbyists hope to achieve through the lobbying effort. These are selected from a list that reflects the definition of lobbying in the LRA.

Intended outcomes listed by registrants are similar across the last two fiscal years. In both years, the top three intended outcomes comprise more than 85.5% of outcomes chosen by registrants.

LOBBYING IN B.C.: FIVE THINGS YOU SHOULD KNOW

> "Lobbying is defined, narrowly, as communicating for pay with a public office holder in an attempt to influence a limited number of outcomes."
>
> — Elizabeth Denham, *Registrar of Lobbyists for British Columbia*

1. Lobbying is a legitimate, democratic right.

Individuals, groups or companies have a right to communicate with elected or appointed government officials. The purpose of the *Lobbyists Registration Act* ("LRA") is to support greater transparency and accountability in the lobbying of provincial public office holders.

2. Lobbyists in B.C. who meet the criteria must register online.

The LRA requires lobbyists in B.C. who meet the criteria to register in an online public registry maintained by the Office of the Registrar of Lobbyists. Members of the public can view this registry at www.lobbyistsregistrar.bc.ca to learn who is attempting to influence government decisions, and on which issue.

3. There are two types of lobbyists.

"Consultant lobbyist" means an individual who, for payment, undertakes to lobby on behalf of a client. "In-house lobbyist" means an employee, an officer or a director of an organization who receives payment for the performance of his or her functions, and whose lobbying or duty to lobby on behalf of the organization or an affiliate, either alone or together with other individuals in the organization, amounts to at least 100 hours annually.

4. The key elements of lobbying are:

a. To communicate

b. For payment

c. With a public office holder

d. In an attempt to:
- introduce, repeal or modify legislation, a bill or regulation;
- develop, establish, change or end any program, policy or decision;
- influence a decision to transfer interest in a government enterprise or to privatize services;
- influence the awarding, amendment or termination of a contract, grant or financial benefit (outside established procedures);
- for in-house lobbyists only, to arrange a meeting with a public office holder for the purpose of lobbying; and
- for consultant lobbyists only, to arrange a meeting between a public office holder and any other individual.

5. The LRA is enforced by the Registrar of Lobbyists.

The LRA was amended on April 1, 2010, granting the Registrar increased powers to enforce the requirement that all lobbyists who meet the criteria register. Under the LRA, the Registrar or her delegate also have the responsibility to report non-compliance and can issue administrative penalties of up to $25,000 if, after an investigation, an individual is found to have contravened the LRA.

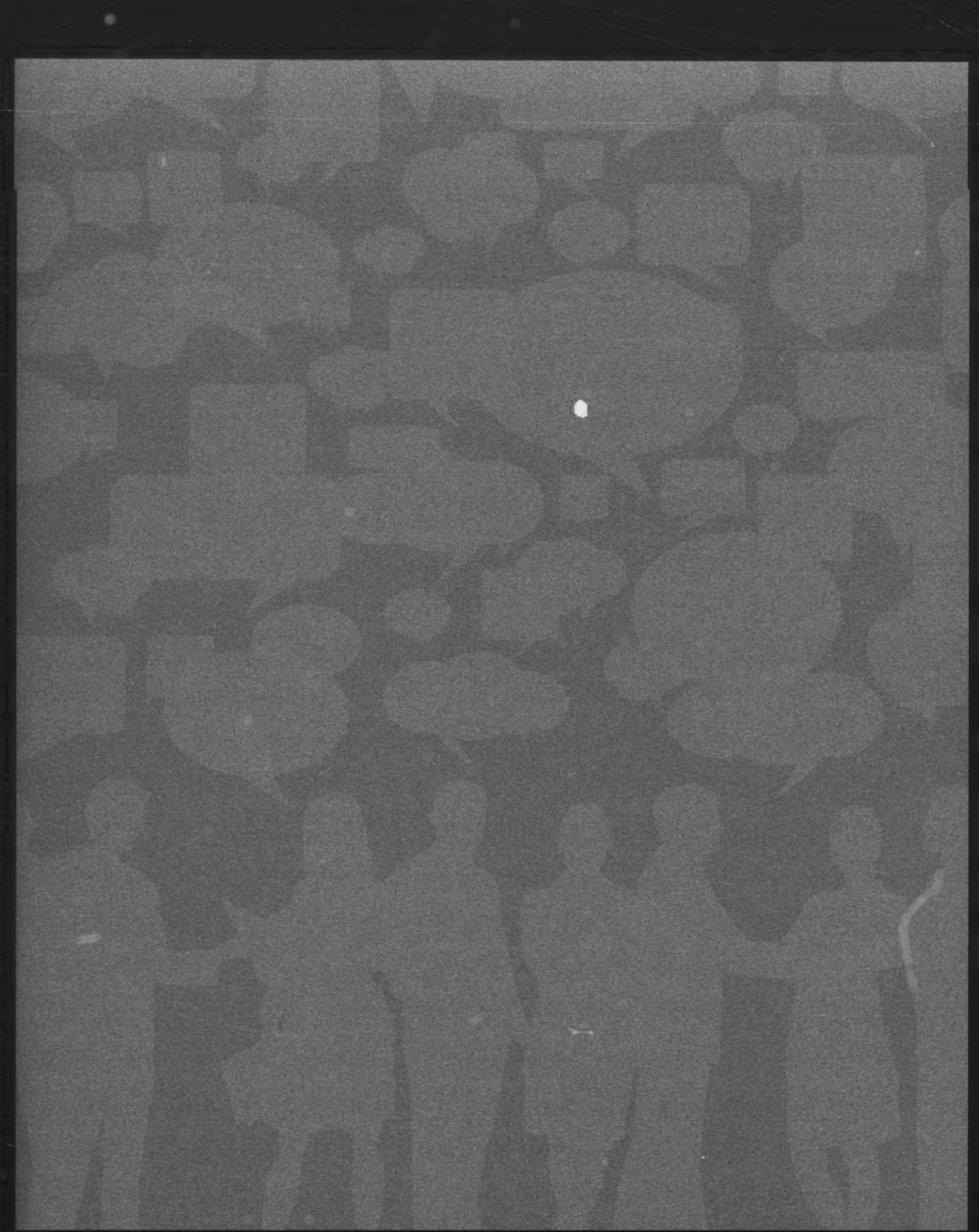
TO LEARN MORE ABOUT LOBBYING IN B.C., VISIT:
www.lobbyistsregistrar.bc.ca.

For a quick snapshot of new lobbyist registrations, check out "Who's Lobbying Who." The ORL publishes this monthly summary of new registrations on its website, including the names of consultant lobbyists or organizations submitting registrations, the aims of their lobbying efforts and their intended targets.

ORL FINANCIAL REPORTING

The ORL's budget is incorporated into the budget of the Office of the Information and Privacy Commissioner. As part of the approval of the annual Estimates, the Legislative Assembly votes a budget for the two Offices as recommended by the Select Standing Committee on Finance and Government Services.

For more information, please see the *OIPC Annual Report* (page 34) or the *Budget and Service Plan* at www.oipc.bc.ca under "Reports."



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